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Schuetz-Abrasimov Meeting in Berlin

As anticipated, Soviet Ambassador to East Germany P. A. Abrasimov's presentation to Governing Mayor Schuetz on 18 January was essentially a repeat of Tsarapkin's 6 January memorandum handed to Acting Chancellor Brandt. Abrasimov enumerated the various developments which allegedly have undermined the status of West Berlin, and also mentioned several which Tsarapkin had ommitted, such as a recent meeting in West Berlin of a WEU committee and Schuetz's visit to Brussels at the time of the NATO meeting.

Schuetz replied to Abrasimov by making the usual disclaimers, pointing out that the Soviets had misunderstood the significance of the various activities which they had mentioned in their memorandum. He also reiterated what he had stated in his 12 January speechthat such activities had already become part of the status quo. Schuetz obviously had done his homework, for he also cited a 1949 KPD suggestion that important Federal bodies be transferred to Berlin, and a 1955 Neues Deutschland article welcoming appearances by Bundestag deputies in Berlin.

In an indirect reply to a question by Schuetz, Abrasimov stated his determination not to allow any change in the status quo of Berlin and said the Soviet Union would find the appropriate means to this end.

Schuetz told the Allied Commandants on 19 January that Abrasimov was not at all threatening, and stated that he had the feeling the Soviet Ambassador was not too serious. The mayor opined that the Soviet approach might somehow be based on considerations relating to the GDR. He also informed the Commandants that he had received the invitation from Abrasimov "very shortly" beforehand.

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Sanitized Copy Approved for Release 2011/02/18: CIA-RDP79B00864A000800010127-3 25X1 -2-The invitation was extended to Schuetz on 11 January. Abrasimov's presentation was unextra-ordinary, but it was interesting that he mentioned the 25X1 WEU committee meeting and Schuetz's Brussels trip-two subjects of recent East German propaganda attacks. 25X1

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Poles Escalate Attache Incident

While professing to seek a way to avoid added strains in US-Polish relations in the wake of the reciprocal PNG'ing of defense attaches, the Poles have, in effect, reneged on the painfully worked out agreement concerning military attache staffing. Polish Foreign Ministry official Sieradzki told the US charge in Warsaw on 18 January that the regime does not intend to expel the remaining US attache there, but that in view of repeated alleged transgressions by US attaches in Poland, Warsaw will reduce its own attache staff in Washington to one attache and one clerk, expecting the US to do likewise in a "reasonably short time."

The US charge rejected this Polish position, maintaining that each country reserves the right to determine the size of its embassy staff.

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COMMENT: The Poles are clearly trying to have their cake and eat it too, by raising the ante but attempting to keep US reaction to a minimum. The State Department has instructed the Embassy to leave the next move to the Poles, i.e. to see by what means they intend to enforce a reduction of the US attache staff. The Poles will thus be forced to further PNG'ing, or delaying visas for replacments now pending.

Rumania Reportedly Will Participate in the Budapest Conference 25X1

The Rumanian Party will attend the consultative meeting of Communist parties opening in Budapest on 26 February. according to the Yugoslav news agency, Tanyug.

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COMMENT: The Rumanian regime's apparent agreement to participate in the conference almost certainly means that little of significance will emerge from this "show of unity." If the report is true, the Rumanians probably believe that by participating they can have the maximum effect on watering down the meeting's communique. At the same time, Bucharest's reported participation would give the uninvited Yugoslavs indirect representation. Both parties oppose Moscow's efforts to reassert its hegemony. Rumanian party chief Ceausescu and Yugoslav President Tito met during 3-4 January in Belgrade, where the two Balkan Communist mavericks undoubtedly compared notes on the Budapest conference.

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Czechoslovakia Offers Concession to Pan Am

Pan American has received permission from Prague to sell tickets in Czechoslovakia for hard currency. This permission applies to Czechoslovak citizens as well as foreigners, and is subject only to a few minor technical requirements. A Czechoslovak Airlines official commented to an Embassy official that this concession by Prague was evidence of the CSSR's policy of a "gradual solution" to the currency conversion issue on the basis of what is possible at a given time. It also represented, he added, "a sign of good will" on the Czechoslovak side.

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COMMENT: The Czechoslovaks are eager to conclude an air agreement with the US, which suggests that CSA wants to open a Prague-New York service in 1969 and may be ready to compromise on other disputed points. During informal discussion in June 1967, Prague backed away on the issue of currency conversion, fearing that Czechoslovak currency subsequently would be open on the world market and thus cause inflationary trends in the Czechoslovak economy. Shortly thereafter, however, Prague requested that formal negotiation be reopened and proposed November as the appropriate time. Subsequent discussions resulted in a joint agreement to resume talks on 22 January.

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